

ABI's 5th Annual International Insolvency Symposium

France an attractive forum
for restructuring in Europe

ReedSmith

The business of relationships.™

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Debt

2006 - €67 billion LBO debt granted

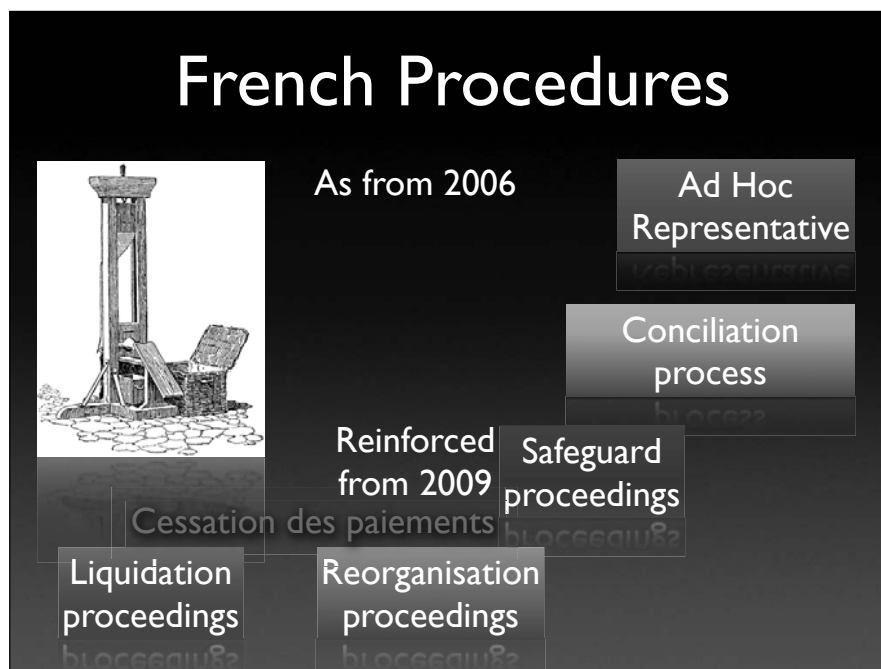
2008 - €20 billion more debt added

2009 - reported that 33% of this accumulated debt is in default

Les Echos, 24 April 2009, p26

France in summary

- Many options
- Flexible
- Effective
- Competitive

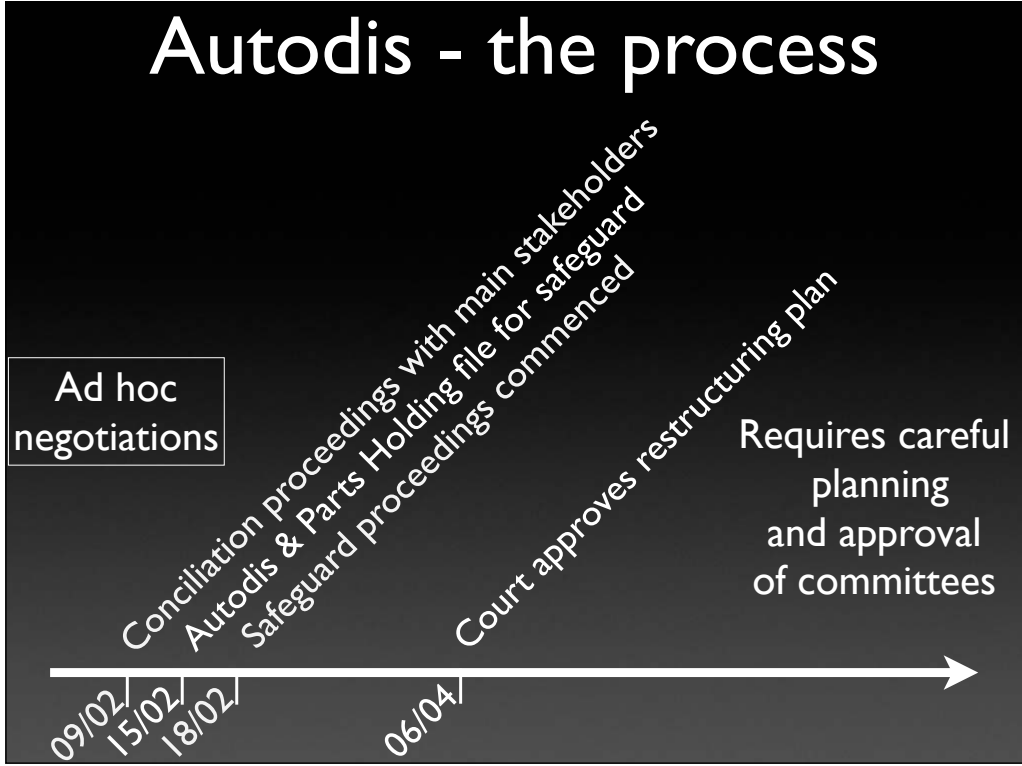


- To qualify for safeguard proceedings, no longer need to show cessation des paiements likely
- Debtor can propose administrator
- Debtor, NOT administrator, draws up restructuring plan
- Management immune from suit during safeguard proceedings for management fault
- Cannot be condition of the safeguard plan that directors be removed

Pre-Pack

à la française

- Inspired by US practice, but not the same
- Made possible by safeguard proceedings
- Early days



Autodis - the result

- Group debt reduced by €600m (in exchange for equity/bonds)
- Autodis shed
 - 70% of priority debt
 - 100% of secondary debt
 - 100% of bond debt
- Suppliers & unsecured creditors paid in full (within 2 months)
- €110m new capital and €34m new finance
- No redundancies

